	Type	Hits	Search Text	DBs	Time Stamp
1	IS&R	1502	(705/14,26,1).CCLS.	USPAT	2002/10/07 14:13
2	IS&R	1540	(705/14,26,1,74).CCLS.	USPAT	2002/10/07 14:13
3	BRS	8	((705/14,26,1,74).CCLS.) and ((anonymiz$ or anonymous) near3 (consumer or user or purchaser or buyer or customer) near3 (data or information or purchase))	USPAT	2002/10/07 14:26
4	IS&R	5	(("6092053") or ("6005939") or "5815665") or ("5890137") or "6078902")).PN.	USPAT	2002/10/07 14:23
5	BRS	1811	purchase near3 (data or information)	USPAT	2002/10/07 14:32
6	BRS	31	(purchase near3 (data or information)) same (anonymous or anonymiz$ or private)	USPAT	2002/10/07 14:35
7	BRS	2241	((purchase or purchasing) near3 (data or information or history characteristic or behavior)	USPAT	2002/10/07 14:33
8	BRS	4	((purchase or purchasing) near3 (data or information or history characteristic or behavior)) same (anonymous or anonymiz$)	USPAT	2002/10/07 14:34
9	BRS	40	((purchase or purchasing) near3 (data or information or history characteristic or behavior)) same (anonymous or anonymiz$ or private)	USPAT	2002/10/07 14:35
10	IS&R	1	("5794210").PN.	USPAT	2002/10/07 15:08
11	BRS	76	5794210.URPN.	USPAT	2002/10/07 15:08
12	IS&R	1	("6035280").PN.	USPAT	2002/10/08 07:34

File 15:ABI/Inform(R) 1971-2002/Oct 08
    (c) 2002 ProQuest Info&Learning
File   9:Business & Industry(R) Jul/1994-2002/Oct 07
    (c) 2002 Resp. DB Svcs.
File 623:Business Week 1985-2002/Oct 07
    (c) 2002 The McGraw-Hill Companies Inc
File 810:Business Wire 1986-1999/Feb 28
    (c) 1999 Business Wire
File 275:Gale Group Computer DB(TM) 1983-2002/Oct 08
    (c) 2002 The Gale Group
File 624:McGraw-Hill Publications 1985-2002/Oct 07
    (c) 2002 McGraw-Hill Co. Inc
File 813:PR Newswire 1987-1999/Apr 30
    (c) 1999 PR Newswire Association Inc
File 636:Gale Group Newsletter DB(TM) 1987-2002/Oct 08
    (c) 2002 The Gale Group
File 621:Gale Group New Prod.Annou.(R) 1985-2002/Oct 07
    (c) 2002 The Gale Group
File 16:Gale Group PROMT(R) 1990-2002/Oct 08
    (c) 2002 The Gale Group
File 148:Gale Group Trade & Industry DB 1976-2002/Oct 08
    (c)2002 The Gale Group
File 20:Dialog Global Reporter 1997-2002/Oct 08
    (c) 2002 The Dialog Corp.
File 610:Business Wire 1999-2002/Oct 08
    (c) 2002 Business Wire.
File 613:PR Newswire 1999-2002/Oct 08
    (c) 2002 PR Newswire Association Inc
File 348:EUROPEAN PATENTS 1978-2002/Sep W05
    (c) 2002 European Patent Office
File 635:Business Dateline(R) 1985-2002/Oct 08
    (c) 2002 ProQuest Info&Learning
File 570:Gale Group MARS(R) 1984-2002/Oct 08
    (c) 2002 The Gale Group
File 47:Gale Group Magazine DB(TM) 1959-2002/Oct 07
    (c) 2002 The Gale group
File 625:American Banker Publications 1981-2002/Oct 08
    (c) 2002 American Banker
File 268:Banking Info Source 1981-2002/Sep W5
    (c) 2002 ProQuest Info&Learning
File 626:Bond Buyer Full Text 1981-2002/Oct 07
    (c) 2002 Bond Buyer

File 267:Finance & Banking Newsletters 2002/Oct 02
        (c) 2002 The Dialog Corp.
File 608:KR/T Bus.News. 1992-2002/Oct 08
        (c)2002 Knight Ridder/Tribune Bus News

Set   Items   Description
S1   117205 (PURCHASE? ? OR PURCHASING)(3N)(DATA OR INFORMATION OR HIS-
        TORY OR BEHAVIOR)
S2   21083 S1(3N)(CUSTOMER? ? OR CONSUMER? ? OR PURCHASER? ? OR BUYER?
        ?)
S3   474 S2(S)(ANONYMOUS OR ANONYMITY OR PRIVATE)
S4   264868 (PROVID? OR TRANSMIT? OR DISTRIBUT?)(3N)(MERCHANT? ? OR AD-
        VERTISER? ? OR MARKETER? ? OR VENDOR? ?)
S5   9 S3(S)S4
S6   30 S3 AND S4   *consid. All (AB, NW IC)*
S7   5453 S1(3N)(COLLECT? OR GATHER? OR TRACK OR TRACKING OR MONITOR-
        ?)
S8   58 S7(S)S4   *consid. An (AB, NWIC)*
S9   15 S8 NOT PY>1997
S10   11 RD S9 (unique items)
S11   2 S10 AND (ANONYMOUS OR ANONYMITY OR PRIVATE OR SECRET)
?

02593515   Supplier Number: 45243676   (THIS IS THE FULLTEXT)
Frequent-Shopper Plans Get A Chipper Look
POS News, pN/A
Jan 3, 1995
Language: English   Record Type: Fulltext
Document Type: Newsletter; Trade
Word Count: 1038
TEXT:

The frequent-shopper program has been one of point-of-sale's most prominent
enigmas. Though such programs could lead to enhanced marketing
opportunities for retailers and increased customer loyalty, a history of
missteps have made many merchants and vendors hesitant. But new
technologies designed to support loyalty programs, especially smart cards,
could finally stimulate the market. Being able to store extensive consumer
and buying data in computer chips will streamline operating costs and
create greater marketing opportunities, experts say. In addition, leading
hardware and software vendors also are releasing products to make it easier
to support loyalty programs. "Frequent -shopper programs are a great
concept but they fell into disfavor several years ago because there was
confusion over who would benefit and pay for them," says Paul Schmelzer,
vice president of Milwaukee-based Deluxe Data Systems, a leading EFT
processor that marketed a frequent- shopper product in the early 1990s.
"But there is substantive business value to the techniques and tools, and
ultimately the industry will come back to the programs because they are too
good of an idea." Frequent-shopper programs typically reward consumers with
prizes, discounts and points that can be exchanged for gifts after
purchases are initiated at merchant locations. Activity is monitored
electronically and shoppers usually must pay with a credit card, debit card
or proprietary store card with a magnetic stripe to participate. The
programs are designed to establish consumer loyalty with a particular
merchant and permit retailers to chart purchasing activity of specific
demographic groups for direct marketing.
     Hitting Roadblocks Yet, while many retailers have expressed interest
in programs, few have had rollouts. The primary roadblocks include merchant
confusion from having to chose among myriad types of programs and competing
companies. Programs can feature bonus points that are earned by consumers
and redeemed for merchandise, discount coupons received at the checkout
counter or through the mail, and incentive rewards, such as free parking or
free delivery. There also are concerns over whether the programs will
achieve desired results. While customers might use manufacturers' coupons
received at the checkout to buy a particular product, for instance, grocers
often prefer customers to buy products with higher margins, such as deli
goods. But many retailer concerns will be erased through the rollout of
newer, sophisticated technologies, analysts believe. And the smart card is
projected to be the key force that will drive loyalty program expansions,
especially as such organizations as Visa and MasterCard are working to
expedite the use of chip cards in the U.S. "Smart cards will make it easier
for retailers to implement frequent-shopper programs because it will
eliminate the need to have back room processing operations" says Joseph
Schuler, president of Minneapolis -based The Schuler Consultancy, a smart
card consulting firm. "And smart cards and frequent- shopper programs are
getting popular at the same time." Because frequent-shopper points and
consumer information, such as age, income and size of household, are stored
in the smart card's computer chip, transaction speed is cut from about 45
seconds to 30 seconds when smart cards are used instead of dial-up systems,
according to VeriFone Inc. Transactions are about 10 to 15 cents less
expensive to process because there isn't a need to communicate with a host
computer via a telephone line to update a customer's status during each
transaction. In a white paper on electronic loyalty programs, Redwood City,
Calif.-based VeriFone, the leading POS terminal vendor, reports a chip card
can contain up to 25 pages of consumer information, compared to just 25
words on magnetic-stripe cards. The smart card already is being used in one
of the industry's most successful frequent -shopper programs at Singapore's
Takashimaya Department Store, where more than 80,000 frequent-shopper cards
have been issued. Different cards carry specific rewards to various

consumer segments, such a⬤en, women and tourists. The sm⬤ cards also operate as a Visa credit card and an on-line debit card for customers with accounts at the Development Bank of Singapore. "Loyalty programs are moving from magnetic stripes to smart cards because you can gather more data with smart cards without using back-end computer systems," says Michael Shade, VeriFone director of marketing. "Competition will dictate the use of frequent-shopper programs, and sooner or later they will become a necessity." VeriFone is among the vendors with products designed to support loyalty programs. Its Omni 380 terminal and CM 450 smart card reader are being used in the Takashimaya program to help process transactions and tabulate points. In addition, Canton, Ohio-based Diebold Inc. released its iq System software late last year. The software streamlines the frequent-shopper program set-up process by permitting retailers to set their own parameters to determine the frequency and type of customer reward. Also expecting increased business from the loyalty market because of improved technology is Florida-based Vision Value Club, which operates supermarket frequent-shopper programs through a network of interactive terminals at checkout lanes. Vision Value currently is in 250 stores, but expects to expand to 1,000 in the next year. Consumers using the system insert magnetic -stripe frequent- shopper cards in the devices and receive points when purchasing specific product brands. When enough points are accrued, they can be exchanged for gifts from a catalog. Because Vision Value collects demographic information on consumers when they sign up for the program, it is able to **track purchasing behavior** and **provide merchants** with consumer profiles so products can be marketed to specific customers.

Enhanced Appeal Vision Value executives believe enhanced electronics, such as screens that permit customers to see their points being accumulated at the checkout, will further increase interest in loyalty programs. "Technology is the key to the success of the frequent-shopper programs," says Cathy Amann, Vision Value Club director of marketing. "Seeing point values accruing on the screen adds a sense of excitement and leads to loyalty." Supermarkets in the VVC program include California-based Von's and Big Ben, and Albuquerque, N.M. -based Furr's. Cincinnati-based The Kroger Co. also is testing a frequent- shopper program in Huntsville, Ala. Also in the Vision Value Club is Columbus, Ohio-based Banc One Corp., which is issuing credit cards which also function as frequent shopper cards. About 1,300 consumers currently are piloting the card.

EFT Issues

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06209287   SUPPLIER NUMBER: 13660374   (THIS IS THE FULL TEXT)
Leveraging the customer database to your competitive advantage.
   (Retail/Database)
Goodman, John
Direct Marketing, v55, n8, p26(2)
Dec, 1992
ISSN: 0012-3188   LANGUAGE: ENGLISH   RECORD TYPE: FULLTEXT; ABSTRACT
WORD COUNT: 1284   LINE COUNT: 00107

ABSTRACT: Use of customer information can **provide   marketers** with a
competitive edge. Customer **data   collected** from past **purchases** or
inquiries allow companies to tailor their marketing efforts to the needs of
customers. One tool that is invaluable to customer-driven marketing is the
customer database. These databases have traditionally contained
transactional information, including amount of purchase, types of products
bought and method of payment. This enables marketers to target the most
profitable customer segments and to reach the highly fragmented consumer
market more efficiency. The customer database can help companies generate
new business as well as enhance current customer relationships. The
benefits of customer databases are demonstrated by a case study of a
birthday direct mail campaign.
TEXT:
     Businesses that "listen" to their databases like the sound of
increasing sales.
     Customer-driven marketing information is a key corporate resource!
Customer information gathered from previous purchases or inquiries enables
a business to mold their marketing strategies around what the customer is
currently telling them they want most from their business. As many will
agree, a key ingredient of successful retail marketing today is to stay
flexible and be able to adapt or change your business to meet the current
needs of your customers. Those who understand the needs of their customers
best, will be capable of catering to them best.
     The vehicle to "listen" to your customers and create a dialogue with
them is the customer database. Those businesses which are able to reshape
and redefine their marketing direction based on information derived from
their customer database will hold a distinct competitive advantage over
those who have either waited too long to build their database or those who
have not been able to integrate this information into their entire
marketing mix.
     In short, today's customer is a moving target, and the customer
database allows you to reach this target. The marketing database is a key
corporate asset and every customer-driven business needs to leverage this
resource.
     Traditional Uses Of The Customer Database
     The customer database is a strategic tool designed not only to attract
new customers to your business, but to strengthen the relationship among
existing customers who we have worked so hard to get. Traditionally, the
type of consumer information retained on customer databases has evolved
around transactional data such as amount of purchase, (product) type of
purchase, date of purchase, frequency of purchase and method of payment.
This information is retained in either a cumulative manner or by an
individual purchasing event.
     This historical data is then used to prioritize the best customers of
your business and to determine circulation policies for future direct
marketing efforts. Several segmentation methods, such as RFM segmentation
(recency, frequency, monetary) and predictive modeling, can be used to
categorize customer groups into those which share similar purchasing
characteristics. This enables the marketer to select those customer
segments which will provide the maximum return on advertising investment
while at the same time suppressing those groups who are not profitable to
reach.
     In addition to determining who does or does not receive mailings, this
segmentation analysis determines the frequency of communications a customer
segment may warrant, for instance, an "average" performing customer segment
may receive a base contact management program consisting of seasonal

catalogs, whereas a higher performing customer segment may receive these same seasonal efforts along with more extensive communications geared toward special merchandise events or gift certificates for specific buying occasions.

Capturing The Entire Shopping Experience

Whether it be traditional RFM segmentation practices or predictive modeling, today we must go one step further in identifying the most prospective audience to receive and respond to our direct marketing efforts. Through relational database systems, other significant data points surrounding the entire shopping experience can be layered onto the transactional data of each individual record. For example, have there been customer complaints or merchandise returns by the individual? Is the customer a heavy respondent to traffic-generation offers yet not a heavy buyer? Does the customer only respond when given discounts? What is the promotional responsiveness of the individual based on a specific number of contacts per year? What are the product purchasing trends of the individual and the tendency for future cross-selling opportunities? Are there special life events or occasions prompting a purchase, i.e., anniversaries, graduations, birthdays?

Having a more advanced level of marketing information available not only allows the marketer to determine who is the most prospective recipient, but what is most personally relevant to them. Due to this, the creative execution of the mail piece can be tailored to the interests of the individual. The appropriateness of the advertised message, the offer itself and the timing at which the offer is delivered can be enhanced through information extracted from the database. Let me illustrate this in the following example.

Case Study: The Birthday Direct Mail Campaign

The retail gift business is predominantly influenced by three or four major gift holidays, i.e., Valentine's Day, Mother's Day, Father's Day and Christmas. At these times, when there is a natural demand for gifts, retailers have traditionally emphasized their promotional efforts. However, there is one other significant gift event in which everyone participates, yet few marketers capitalize on: customer birthdays.

By appending an additional layer of birthdate information to the customer database, a separate buying occasion can be addressed. Having first segmented the possible recipients of the program into their respective RFM "cells," the distinction is made between those customers with upcoming birthdays and the household members of customers with upcoming birthdays.

Having identified two separate buying audiences, the creative mission is to develop different messages which address the customer's birthday in addition to a separate message pertaining to the household member's birthday. Therefore, one birthday card reflects the headline "Treat Yourself" and the other addressing the birthday of the household member arrives in a "confidential" envelope with the headline on the birthday card reading: "Birthday Coming Up? We'll Keep Your Secret." Both mailings include response devices (gift certificates) with unique source codes in order to track the exact results by RFM segment. Timing is the wild card in this program, as the respective messages are delivered approximately two to three weeks prior to the actual birthdate of the customer or household member.

The birthday campaign integrates three key components found in successful direct mail efforts: 1) Identifying the right audience, 2) to receive the right message, 3) at the right time. Yet the final component of timing is the most critical and demonstrates once again why "timing is everything."

In summary, there are many reasons why database-driven consumer marketing has come to the forefront of the marketing community:

* With higher operating costs, businesses are demanding greater efficiencies in all areas which impact the P & L. When it comes to efficiency in marketing, this is the primary strength of database marketing, as accountability and efficiency are the backbone of this practice.

* The database provides the means to reach the highly fragmented, demographic makeup of today's marketplace. The ability to identify and successfully communicate to the many market niches provides retailers with a competitive advantage.

* The customer database allows you to rely on proven relationships

with your best customers. ●d in times of economic restle●ss, who better to rely upon than your best, existing customers?

And finally, retailers today recognize that consumer-driven marketing information provides a key corporate resource, one that has a significant impact on their ability to cater to the ever changing demands of today's customer.

John Goodman is vice president of marketing for Helzberg Diamonds, a specialty retailer operating 130 jewelry stores nationwide. He is responsible for all advertising, strategic planning, direct marketing, sales promotion and visual display merchandising. He has an extensive background in retail marketing, including running his own retail direct marketing agency where he developed customer databases for Helzberg Diamonds, The National Collegiate Athletic Association, Covert Marine and other national retailers. He can be contacted at 1825 Swift, Kansas City, MO 64116-3606--816/842-7780.

SPECIAL FEATURES: illustration; photograph
INDUSTRY CODES/NAMES: ADV   Advertising, Marketing and Public Relations
DESCRIPTORS: Database marketing--Usage; Direct marketing--Technique
SIC CODES: 7331 Direct mail advertising services
FILE SEGMENT: MC File 75
?

01094515   Supplier Number: 41196169
Quaker Direct Tracks Buying At Household Level
Premium Incentive Business, v49, n3, p1,24
March, 1990
ISSN: 0300-6271
Language: English   Record Type: Abstract
Document Type: Magazine/Journal; Trade

ABSTRACT:
Quaker Oats (Chicago) will launch a new, $18 mil direct marketing program
in 9/90 that will **collect** consumer **purchasing   information** from 18 mil
households. The micromarketing program, involving 3 mailings scheduled for
late-1990 and early-1991, will offer consumers automatic-entry sweepstakes
and instant-win game coupons that are personalized by household.
Information received from the program will **provide   marketers** with
information on actual consumer buying habits, and allow marketers to
custom-design promotions for individual households. Computerized Marketing
Technologies (New York), a research firm, supplied the database used for
the program. Quaker's direct marketing firm is Bronner Slosberg (Boston).
Discussion includes further information on the new direct marketing
program.   ⸀
PUBLISHER NAME: Miller Freeman, Inc.
COMPANY NAMES: *Quaker Oats Co.
EVENT NAMES: *360   (Services information)
GEOGRAPHIC NAMES: *1USA   (United States)
PRODUCT NAMES: *2040000   (Grain Mill Products); 7392100   (Market
  Research Services); 7331000   (Direct Mail Advertising Services)
INDUSTRY NAMES: ADV (Advertising, Marketing and Public Relations); BUSN
  (Any type of business)
NAICS CODES: 3112 (Grain and Oilseed Milling); 54191 (Marketing Research
  and Public Opinion Polling); 54186 (Direct Mail Advertising)
TICKER SYMBOLS: OAT
SPECIAL FEATURES: illustration; photograph
SPECIAL FEATURES: LOB; INDUSTRY; COMPANY
ADVERTISING AGENCY: Bronner Slosberg
ADVERTISING CODES: 35   Research Services; 24   Direct Marketing

00655750 93-04971
Added-Value Marketing Plans
Kerwin, Ann Marie

ABSTRACT: Newspaper subscriber programs offering members personalized cards
that entitle them to discounts at local advertisers are appearing all over
the US. The cards are issued to subscribers, who prepay for a certain
period of time. Advertising departments like the program because it offers
advertisers free promotional opportunities and can demonstrate to the
merchant how many of its customers are newspaper readers. Richmond
Newspapers Inc. started its Press Pass program in 1990. About 400 merchants
now offer discounts of 15% of more. At the Toronto Star, approximately 700
merchants, restaurants, and retailers participate in the StarCard program.
Some 80,000 seven-day subscribers have a StarCard. Subscribers are eligible
for the card if they pay for a year's subscription or opt to pay each month
by credit card. The possibilities for subscriber programs include a chance
to set in a strong database marketing program. Douglas Lauder of Frequent
Shoppers Advantage Inc. uses the cards to keep track of purchase behavior
to establish a marketing profile of each household.

TEXT: In the newspaper world, Extra! Extra! used to refer to a breaking
story, but that meaning may be surpassed by added-value marketing programs
offered long-term subscribers.

Subscriber programs that offer members personalized cards, often called
"extra cards," entitling them to discounts at local advertisers, are
popping up all over the country.

The cards are issued to subscribers who pre-pay for a certain period of
time, generally three or six months in advance.

Circulation departments like the program because it reduces churn
(non-renewals of subscriptions).

Advertising departments like the program because it offers advertisers free
promotional opportunities, increased in-store traffic, and can demonstrate
to the merchant how many of his customers are newspaper readers.

"These cards are not the ultimate answer to newspapers' problems, but
value-added programs like this are what newspapers need to do in the
future. I think we are going in the right direction," said Allen Walton,
circulation director for Richmond Newspapers Inc., Richmond, Va.

Richmond Newspapers started its Press Pass program two years ago. About 400
merchants now offer discounts of 15% or more. Approximately 125,000
subscribers were issued cards after they had prepaid their daily
subscriptions for three months or more.

Walton called it a "good, solid program" and would like to expand it to
over 500 merchants in 1993.

He feels that the program does aid in the retention of subscribers. Before
Press Pass, 50% of subscriptions opted to renew after four months. Since
the program has begun, 67% are being retained.

"We made some other improvements in the paper, but Press Pass is part of
the reason people stay," Walton believes.

The Wilmington (N.C.) Morning Star has "people subscribing just to get
cards" said Kate Meyer, circulation director. The Morning Star, one of the
first to offer what it calls a Preferred Customer card, has 150 advertisers

and about 26,000 cardhold●.

While Meyer has no "concrete data" that the program has helped retention, an educated guess tells her the program's popularity has helped. The program has also allowed her to eliminate the Extra! card will be accepted by merchants statewide. He has convinced seven other newspapers in Arizona to use the name Extra! for their cards.

"If all these programs use the same name, we can provide more savings to the customer," Carrenza said. He would like the cards to have symbols on the back such as automatic teller machine cards have, establishing a network across the country. Newspapers that offer cards could ask their merchants to agree to accept other paper's cards for travelers.

"All this is magic," Carrenza admitted, "but I think it is possible."

"In our business, meeting the bottom line is often the focus. What people don't understand is that this is a revenue enhancement program, not necessarily a revenue producer. If you want to have a good program, you need to put the money out there," Carrenza observed.

The Orange County Register, based in Santa Ana, Calif., reports that its circulation has grown since it launched its ExtraCard program four months ago.

Since that time, said general manager John Schueler, the Register's circulation has climbed 6% daily and 5% Sunday.

discounting subscriptions.

"The card is now our biggest selling tool," she said about sales of three months or more for daily subscriptions.

Tucson (Ariz.) Newspapers Inc. began issuing its Extra! cards in April 1990. Today the company has 744 advertisers offering discounts, and 60,000 cardholders.

The program "helped the churn" said Dave Carrenza, customer service and Extra! card manager, because the card was available only to six-month daily subscribers.

"We have fewer cancellations be' cause we've removed the decision making for six months or longer," he said. "Now people have to make a buying decision only twice a year.
Making the card ubiquitous is a goal of Tucson Newspapers. Already advertisers from the White Mountain ski area and San Diego are part of the program. Carrenza hopes that by next year

"The ExtraCard has been a win-win situation for everyone involved, Schueler said. "Our subscribers appreciate saving money on more than 2,000 products and services, participating businesses are gaining customers during a difficult economic period, and we're thrilled more people are reading the Register."

With more than 400 advertisers and 125,000 subscribers in its program, the Sacramento Bee program is trying to increase the cards' usage, said Ann Vry, promotion coordinator.

"A lot of people are aware of the program and know about it, but we need to get them in the habit of presenting a card to receive a discount," she said.

Because the Bee program started just this September, no data was available to track retention.

Most of the programs were established to encourage subscribers to switch to paying the newspaper directly, rather than the carrier. At the Lawrence (Mass.) EagleTribune, the safety of carriers with large amounts of money on collection nights was a concern, said Frank Gennarelli, circulation

director.

The Eagle-Tribune's Press Pass program began in July 1991 and has 132 retail outlets participating. The paper now has 10,755 subscribers paying by mail, converting 918 from carrier collect.

Unlike the Wilmington (N.C.) Morning Star, the Eagle-Tribune did not eliminate discounts from its long-term subscription offers, 5% off for six months, 10% off for a year.

"I wanted to give something to the customers, not take away," Gennarelli said.

The carrier-collect people were given an incentive to switch to pay-by-mail with an offer that gave them 13 weeks of home delivery for the price of 11 weeks.

At the Toronto Star, the initial idea for the project was a way to improve subscriber retention. The Star was also a front-runner in offering a subscriber card, beginning its StarCard program in 1987. Today, 80,000 seven-day subscribers have a StarCard. Subscribers are eligible for the card if they pay for a year's subscription or opt to pay each month by credit card.

Approximately 700 merchants, restaurants and retailers participate. The paper is just beginning to zone the card's usage into East and West Toronto, hoping new merchants will be attracted, said Rupert Fry, circulation manager.

"We're hopeful we can expand the usage and increase the number of subscriptions," Fry said.

The New York Times rolled out its TimesCard program this August, and has approximately 45,000 subscribers signed up. Over 600 merchants are participants, and Charles Shelton, vice president of circulation, hopes that number will increase to 1,000 by 1993. Shelton sees the program aimed at retaining subscribers by offering them the chance to save money on purchases.

"A lot of people see the New York Times name and expect a quality product and service. We are taking advantage of a good name," Shelton said.
The Times recently reached an agreement with its independent vendors who do much of the city's home delivery. Those subscribers will also be eligible for the TimesCard, expanding the number of program participants.

Both the Toronto Star and the New York Times have an outside full-service company handling their card programs, Advantex, a subsidiary of the circulation promotion company Samplex, Toronto, Canada.

"One of the reasons the New York Times and the Toronto Star hired Advantex is because they realized this is a multifaceted business. There are approximately 15 different elements to be executed for a successful program," said Allison Smith, Advantex executive vice president. "If there is negligence in any one area, it will provide a mediocre program at best."

Many risks exist in starting a subscriber card program, Smith said, and involved is "a long learning curve to learn how to run the program properly."

Those papers which are doing programs on their own, and doing them well, Smith said, are "blowing their horns to get others to jump on the bandwagon." However, she warns papers, especially smaller market papers, to look at the "numerous newspapers which have started programs and had serious problems, and have since discontinued the program."

The Greensboro (N.C.) News Record had an "RSVP Card" program about two years ago that is no longer being offered. The circulation manager who started the program left, and the program eventually ended.

Subscription card progr● require a "significant amou● f attention to detail" in many areas and a lot of time to maintain, Smith said. She recommends that a paper designate a staff to do the program or hire an outside company with a staff already in place.

Advantex and the newspapers have a contractual relationship, with the newspaper and advertisers paying for the service. The company is administering only two card programs in Toronto and New York right now, and will launch two more next year.

"The profit margins are OK, but this is no major windfall business. We are in it for the long term," Smith said.

Such a program also requires a capital commitment from the newspaper. A newspaper must be able to afford the time, energy, promotion, and ad dollars to do the program.
"If you can't afford to do it right, don't do it," Smith said. She urges papers to give subscribers a great program, or consider another promotion.

Offers also must be top-rate. The businesses that agree to participate should be the "best, most popular places" in order for the program to have value, Smith said.

"Your program has to be better than every other savings package in the market in order to make it worthwhile to the reader," Smith said. "If you want people to continue to subscribe, you have to give subscribers a package of savings they can't live without."

Discounting the newspaper subscription leads to devaluing the product, Smith believes. The trend toward success today is away from discounting and toward value-added.

The possibilities for a program such as this also include a chance to set in a strong database marketing program, believes Douglas Lauder, president of Frequent Shoppers Advantage Inc., Charleston, S.C.

"To me, it is so fundamental," Lauder said. "If you are going to go to all the trouble to sign people up for a newspaper card, why not ask for more than their name and address?"

He contends that people are usually willing to fill out standard demographic and lifestyle information if asked.

Part of his proposal is to use the cards to keep **track** of **purchase behavior** to establish a marketing profile of each household. By following guidelines to protect subscribers' privacy, the data can **provide** newspapers and their **advertisers** with target marketing opportunities through a direct mail program.

"This kind of program fits so well with newspapers that have TMC products and alternate delivery systems in place," Lauder said.

He also pointed out that a card program is different from a club program. A card program mails out cards to subscribers and then loses touch with them. Newspapers can use a reader's club to develop a relationship with subscribers.

"It is quite possible to strengthen the bond with a well-thought-out program, Lauder said.
Merchants should pay for participating in the program, Lauder says. He believes that newspapers should ask for a financial commitment from the outset.

"If the merchants aren't committed to the program, it will die," he said, and investing money in the program keeps them involved.

With a club that gathers database marketing information, a newspaper can go to merchants and provide "something really effective," Lauder said. The newspapers become marketing partners with the advertisers.

Frequent Shoppers Advantage has tested shopper clubs for grocery stores by enlisting packaged goods manufacturers to offer discounts. By buying certain products, shoppers earned points that they could redeem for merchandise in a catalog.

Through those tests, they discovered that what consumers wanted was to be able to earn points on everything they bought, from gas to groceries. The company concluded a locally based program would be the most efficient and offer everything club members wanted.

Newspapers, Lauder said, are in a perfect position to take advantage of such program.

Some papers, such as the Eagle-Tribune and Toronto Star, are starting build databases using subscriber card formation. Others, such as the Sacramento Bee, see the potential but do not have the resources to do it.

"The subscriber program offers kinds of possibilities, but it is difficult enough to get the advertisers to keep track of card numbers. It is an equally slow process to educate them," Bee promotion manager Ann Vry said.

Lauder's club program would use scanners installed by the newspaper at every advertiser to track card usage.

Advantex is looking into database marketing possibilities. But Smith pointed out that database marketing is "very expensive, and needs revenue coming in before starting up."

Newspapers also have to consider how they would want to use the database information, she said.

Lauder believes that establishing a subscriber program positions a newspaper with a "leading edge" product that competes for a share of growing promotional spending; not an outdated product trying to maintain its share shrinking ad spending.

ADVICE FOR STARTING A SUBSCRIBER CARD PROGRAM

Setting up a subscriber card program has its reward, but it also has its problems. Circulation, promotion and customer service managers interviewed often had similar experiences. Here is some advice offered about starting a program.

* Commitment from all departments. A subscription card program does not envolve only the circulation department. The advertising, promotion and marketing staff have to be involved as well. Top management needs to be behind the program to insure that it stays on the front burner long after start-up.

* Promote, promote, promote. Promotion must be aimed at everyone--newspaper employees, advertisers and readers. The newspaper staff needs to be reminded that the program is ongoing and needs attention. Advertisers not only have to be wooed to join the program, but need to be reminded of the particulars for the duration of their contract. Promotion is needed to get subscribers to sign up, but also to get them to use the card. Tucson Newspapers in Arizona is running a billboard campaign with two messages: "If you don't have it, get it. If you have it, use it."

* Education and communication. This goes hand in hand with promotion.

The advertising sales staff needs to be fully informed to sell the program effectively. The staff involved in administering the program must be well informed, so office personnel can answer callers' questions and carriers will know their steady customers. Communication with the staff about changes in the program is also important.

A common problem bas been advertisers who signed up for the program and then did not inform salesclerks. Newspapers overcame this by sending decals

to the advertisers to put█ar cash registers. ●

The Eagle-Tribune, Lawrence, Mass., sent a notice to advertisers, to give to all employees, which described the program and discount offered. Advertisers were also reminded to mark down the card numbers of customers. Some papers began sending "mystery shoppers" to advertisers to monitor how the program was working. If a problem was found, the mystery shopper, usually an ad salesperson, tried to work it out with the advertiser.
* Offers must have real value. Cardholders are turned off by "weasel-worded" offers that have too many restrictions. The subscriber wants to get real value from the card. The perception of the program is better when most merchants offer a standard discount, such as 10%, off all merchandise. If restrictions must be applied, be sure to keep the offers clear and simple to avoid confrontations between cardholders and merchants.

Advertisers should be reminded that cardholders will be likely to use them over a competitor, but only if the offer has true value.

* Get the right advertiser mix. Merchants who offer everyday items fare better in this kind of program. Dry cleaners, film developers, grocery stores, gas stations, clothing stores, and restaurants are popular because people will patronize these merchants anyway. Entertainment, such as movies, video rentals, zoos, amusement parks, also do well.

Once-a-year purchases, such as snow tires, and air conditioning repair, naturally do not see the same results as a grocery store.

While "mom and pop" advertisers are good to have, the big advertisers give a program credibility. Go after the grocery stores, department stores and drugstores.
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DESCRIPTORS: Newspapers; Subscribers; Sales promotions; Discounts;
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**NIELSEN AND HISPANIC MARKET CONNECTIONS ANNOUNCE JOINT DEVELOPMENT OF
    HISPANIC CONSUMER PANEL IN U.S. BREAKTHROUGH SERVICE TO CONSIDER UNIQUE
    CULTURAL AND DEMOGRAPHIC CHARACTERISTICS**

DATE: October 3, 1994   13:44 EDT   WORD COUNT: 455

    NORTHBROOK, Ill.Oct. 3 /PRNewswire/ -- Nielsen North America and
Hispanic Market Connections, Inc. (HMC) of Los Altos, Calif., today
announced the joint development of a Hispanic consumer panel in the
United States. Hispanic panelists will join Nielsen's 47,000 North
American households in using the company's patented hand-held scanner to
record their purchases of consumer packaged goods from all retail
outlets. The service is slated to roll out in 1995.

    "This breakthrough service will take into consideration the unique
cultural and demographic characteristics of the U.S. Hispanic market
and correlate language, media usage and acculturation with their
actual purchases," said Meredith Spector, vice president, director
of data services for Nielsen Consumer Information Services (Port
Washington, N.Y.).
    "Presently, marketers targeting the Hispanic population are
limited to data sources that rely on lengthy questionnaires to gather
household consumption data. These methods require respondents to
estimate their product purchases and do not take into consideration
the language and cultural barriers that foreign-born Hispanics face
when questioned about American brands. Scanning technology will
enable the Nielsen Hispanic Panel to bypass these problems and
facilitate swift and accurate reporting of actual **purchases** . By
monitoring consumer **behavior** longitudinally, Nielsen can **provide
marketers** with all new insights into advertising and promotion
effectiveness," said Robert Tomei, vice president, product manager
for Nielsen Consumer Information Services.

    "To capture the full extent of the growth and purchases of the
U.S. Hispanic market, we will recruit households with culturally
appropriate methods. We are very excited that Nielsen has decided to
take on this challenge," said Isabel Valdes, president of HMC.
"This is the first step toward building a broad-based ethnic panel to
accurately represent the shifting demographics of the U.S.
population."

    Nielsen is the recognized global leader in marketing and decision
support information. As a strategic partner with the world's top
consumer packaged goods companies, Nielsen has been the primary
supplier of information-based systems and analysis for nearly 70
years. Nielsen created and built the decision support information
business overseas, beginning its global drive more than 50 years ago.
Today, Nielsen's in-home scanning panel of 47,000 households in the
United States and Canada is the industry standard for monitoring
consumer behavior. Nielsen is a company of The Dun & Bradstreet Corp.
(DNB), the world's largest supplier of business information and
related services with 1993 revenues of $4.7 billion.

    HMC, one of the nation's leading Hispanic marketing research
experts, brings cultural, marketing and research know-how to
successfully adapt Nielsen's state-of-the-art technology and enable
consumer packaged goods companies to more clearly understand the $200
billion strong U.S. Hispanic market.

    CONTACT: Elliot Bloom of Nielsen North America, 708-205-4755;
or Marilyn Mitchell, PH.D. of Hispanic Market Connections,
415-965-3859

    COMPANY NAME: NIELSEN NORTH AMERICA; HISPANIC MARKET CONNECTIONS,

STATE: ILLINOIS (IL)
SECTION HEADING: BUSINESS

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Electronic coupon program offers data-base potential
Shermach, Kelly

ABSTRACT: An electronic coupon program which will debut in January is
designed to help marketers build databases of their affluent customers.
Coupons Online will distribute promotion incentives for packaged goods,
travel and hospitality, fast food, automobile, home care electronics, and
entertainment companies through CompuServe, Prodigy and its World Wide Web
site.

TEXT: An electronic coupon program set to debut in January is designed to
help marketers build data bases of their affluent customers.

Coupons Online (COL), New York, will distribute promotion incentives for
packaged goods, travel and hospitality, fast food, automobile, home care,
electronics, and entertainment companies through CompuServe, Prodigy, and
its World Wide Web site.

" **Marketers** have several **distribution** options to choose from based on
both demographics and geography," said Bruce Malinowski, vice president of
marketing and sales. "This gives our corporate clients the ability to
deliver varying value incentives targeted specifically to user
characteristics, **purchasing behavior** , and brand loyalty **tracking** ."

Coupons, rebates, refund offers, mail-order forms, recipes, and product
information will be available in an advertorial to be downloaded and
printed off consumers' computers. New offers will be featured on a weekly
basis and will remain available for 28 days. The first week of distribution
will include a full-screen equivalent of an FSI in addition to a graphic
representation of a coupon.

If consumers don't print the coupons during their first week, the
advertorials will disappear and the coupons will be stored in memory by
category. Memory is the only place consumers will see competitors' coupons
appearing side-by-side.

Dual bar coding will identify users by household and build customer
histories. The household ID bar code also will be used to minimize the
potential for mass redemption fraud. Coupons will be printed only by
consumer request. One per household will be printed unless otherwise
requested by the sponsor, after which the ad will be automatically deleted.
At the manufacturer's clearinghouse, coupons will be scanned, and
manufacturer audit data will be captured along with the household ID.
Consumers abusing the system will receive low-value coupons or none at all.

As an example of purchasing potential, COL said on-line subscribers are
160% more likely to buy bottled water than consumers not on-line.
Subscriber demographics also appear to be attractive to marketers. Folks
on-line are upscale and educated, and 85% of them use coupons. That means
they're 29% more likely to use coupons than consumers not online,
Malinowski said.

In traditional data-base marketing, tremendous margins and frequent turns
of product are required. "Cigarette companies and Mercedes-Benz can afford
to prospect, but when you're selling eight boxes of raisin bran, and you're
making $1 a box, $8 isn't enough to support data acquisition, cost of
mailing, [etc.]," he said.

Zip code segmentation isn't an option with FSIs, and doing data-base
marketing through magazines doesn't produce the critical mass to move

business, said Malinowski

Advertisers can specify COL circulation in a variety of Zip code formats: state, county, Nielsen Scantrack, IRI InfoScan, retail radius mapping, sales territories, proprietary data base, and more. Mass distribution to all subscribers or a mix and match of options also are available. COL also offers sampling opportunities through a turnkey request-capture, processing, and fulfillment program.

Marketers save printing costs, too, Malinowski said, because offers, copy, and graphics are all electronic images--and they can differ by household. The young couple with kids might see a Snuggle ad with kids crowding the laundry room, but the senior couple next door will pull up an ad with a gray-haired launderer.

"We are totally to the new media what a 30-second commercial is to television," he said. "A Web site is to the new media what an infomercial is to television."

COL markets through its sales force, consultants, a national print ad campaign, and client advertising and promotions. In late November or early December it will launch a campaign targeting consumers through women's magazines, general news magazines, family computer magazines, and spot TV, radio, and newspapers.

"This isn't the '90s version of Wozniak & Jobs in the garage," Malinowski said. "We recognize that we're printing money for people, and we take our jobs very seriously."

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COMPANY NAMES:
Coupons Online
GEOGRAPHIC NAMES: US

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